Transportation Safety Board of Canada

2012–13

Departmental Performance Report

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Chair's Message

The Transportation Safety Board of Canada investigates marine, pipeline, rail, and aircraft accidents. As an organization, our role is to find out what happened, and why. Once we know, our investigation reports and findings are then made public through our website, news releases, and social media. Because when something goes wrong— on our waterways, along our pipelines or railways, or in our skies—Canadians deserve to know what happened, and what needs to be done to make the transportation system safer.

To that end, we are transparent about our goals as well as our accomplishments, each year stating publically not just what we plan to do, but how we'll get there. The Departmental Performance Report is our report card for 2012–13. It identifies how we allocated our resources, and the progress we made toward the achievement of our plans and priorities. This year, for example, we are pleased to note that staff training has strengthened our organizational readiness, upgraded modal databases have improved information and data management, and our social media program has increased public awareness of who we are and what we do. A new version of our safety Watchlist, released in June 2012, has helped to continue focus industry attention on key safety issues. Moreover, more responses to our recommendations received the highest rating of "Fully Satisfactory." That's concrete proof that the work we do is having an effect, and making Canada safer than ever.

It's that kind of progress that helps motivate the men and women who work for one of the most well-regarded accident investigation agencies in the world. Whether they're putting together the pieces of a shattered airliner, interviewing crew members from a capsized fishing vessel or computer modeling the deadly results of a train derailment or pipeline explosion, our experts have spent more than two decades setting an unmatched level of excellence.

But there's still much more to be done. When accidents happen, we'll be there to meet those challenges and to keep all Canadians informed about our progress.

Section 1: Organizational Overview

1.1 Raison d'être

The Canadian Transportation Accident Investigation and Safety Board, called the Transportation Safety Board of Canada often, is an independent agency created in 1990 by an Act of Parliament (*Canadian Transportation Accident Investigation and Safety Board Act*). It operates at arm's length from other government departments and agencies to ensure that there are no real or perceived conflicts of interest. The sole objective of the Transportation Safety Board of Canada (TSB) is to advance air, marine, rail and pipeline transportation safety. This mandate is fulfilled by conducting independent investigations into selected transportation occurrences to identify the causes and contributing factors and the safety deficiencies evidenced by an occurrence. The TSB then makes recommendations to improve safety and reduce or eliminate risks to people, property and the environment.

The jurisdiction of the TSB includes all aviation, marine, rail and pipeline transportation occurrences[1] in or over Canada that come under federal jurisdiction. The TSB may also represent Canadian interests in foreign investigations of transportation accidents involving Canadian registered, licensed or manufactured aircraft, ships or railway rolling stock. In addition, the TSB carries out some of Canada's obligations related to transportation safety at the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO).

1.2 Responsibilities

The TSB exists as an independent investigation body with the sole goal of advancing transportation safety. Since its inception in 1990, the TSB has conducted thousands of investigations across the modes of transportation for which it is responsible.

The TSB is one of many Canadian and foreign organizations involved in improving transportation safety nationally and internationally. Because it has no formal authority to regulate, direct or enforce specific actions, the TSB can only succeed in fulfilling its strategic outcome through the actions of others. Operating at arm's length from other federal departments involved in the transportation field, the Board must present its findings and recommendations in such a manner that compels others to act. This implies ongoing dialogue, information sharing and strategic coordination with organizations such as Transport Canada, the National Energy Board and the Canadian Coast Guard. The TSB must engage industry and foreign regulatory organizations in a similar fashion. Through various means, the TSB must present compelling arguments that will convince these "agents of change" to take action in response to identified safety deficiencies.

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[1] A transportation occurrence is any accident or incident associated with the operation of an aircraft, ship, railway rolling stock or pipeline. It also includes any hazard that could, in the Board's judgement, induce an accident or incident if left unattended.

As one of the world leaders in its field, the TSB regularly shares its investigation techniques, methodologies and tools with foreign safety organizations by inviting them to participate in in-house training programs in the areas of investigation methodology and human and organizational factors. Under the terms of international agreements, the TSB also provides investigation assistance to foreign accident investigation bodies, such as decoding and analyzing flight recorder data or overseeing engine tear-downs. The TSB also shares data and reports with sister organizations, in addition to participating in international working groups and studies to advance transportation safety.

For more details on the TSB investigation process or the links between the TSB and other federal organizations visit the TSB website.[i]

1.3 Strategic Outcome and Program Alignment Architecture[2]

Department Name: Canadian Transportation Accident Investigation and Safety Board
Strategic Outcome: The risks to the safety of the transportation system are reduced.
Program 1: Air Investigations
Program 2: Marine Investigations
Program 3: Rail Investigations
Program 4: Pipeline Investigations

The following Program supports TSB's sole strategic outcome.
Internal Services

2 Under the Management, Resources and Results Structure (MRRS) Policy that came into effect April 1, 2012, updates have been made to the MMRS nomenclature. "Program Activity Architecture" (PAA) becomes "Program Alignment Architecture" and "Program Activity" becomes "Program". Collectively, all elements of the PAA are now referred as "programs".

1.4 Organizational Priorities

The following table shows the progress achieved against the priorities identified in our 2012–13 Report on Plans and Priorities.

Strategic Objective #1: *Responding*		
Priority	**Type**	**Programs**
Strengthened organizational readiness	Ongoing[3]	• Air Investigations • Marine Investigations • Rail Investigations • Pipeline Investigations
Summary of Progress		
During 2012–13, the TSB undertook the following activities to ensure the department has the necessary capacity to deliver on its mandate: • Continued to invest in the training and development of its employees. • Enhanced its capabilities to download and analyze data from a number of sources, including GPS units, avionics systems, and mobile devices. • Continued work on the multi-year update of the accident investigation training program and the Manual of Investigations. • Reviewed and updated contingency plans, and conducted table top exercises to improve the readiness to respond to major occurrences.		

Strategic Objective #2: *Managing*		
Priority	**Type**	**Programs**
Improved information and data management	Ongoing[4]	• Air Investigations • Marine Investigations • Rail Investigations • Pipeline Investigations • Internal Services
Summary of Progress		
Significant progress was made on planned projects to improve information management during 2012-13: • The department drafted a formal identification of its information resources of business value for its investigation activities and for parts of its corporate activities. This work will continue into 2013-14. • The modernization of the database that manages information on Rail occurrences was completed and the modernization of the Marine occurrences database was initiated with		

[3] Priority committed to at least three fiscal years prior to the subject year of the Report on Plans and Priorities.

[4] Priority committed to at least three fiscal years prior to the subject year of the Report on Plans and Priorities.

Strategic Objective #2: *Managing*		
Priority	**Type**	**Programs**
significant progress being made by year-end. • The TSB successfully implemented a new electronic documents and records management solution in its central records room. However, the implementation was significantly more challenging than anticipated. The TSB is reviewing options prior to extending this solution to the management of its electronic records.		

Strategic Objective #3: *Communicating*		
Priority	**Type**	**Programs**
Increased awareness of the TSB	Previously committed[5]	• Air Investigations • Marine Investigations • Rail Investigations • Pipeline Investigations
Summary of Progress		
During 2012–13, the TSB increased significantly its communications activities in all areas to improve accessibility to its products and increase awareness of the organization. The TSB is now more proactively communicating directly with Canadians by: • streaming messages through Twitter, • posting investigation photos on Flickr, • maintaining a blog on transportation safety related topics, and • releasing more offerings through YouTube. The corporate branding was refreshed and updated promotional materials were published. Additionally, the department implemented a brand new website designed to be more accessible, searchable and user friendly.		

Strategic Objective #4: *Advocating*		
Priority	**Type**	**Programs**
Increased effectiveness of TSB products and services	Previously committed[6]	• Air Investigations • Marine Investigations • Rail Investigations • Pipeline Investigations
Summary of Progress		
The TSB endeavored to increase the uptake of recommendations and other safety		

5 Priorities committed to in the first or second fiscal year before the subject year of the Report on Plans and Priorities.

6 Priorities committed to in the first or second fiscal year before the subject year of the Report on Plans and Priorities.

Strategic Objective #4: *Advocating*		
Priority	**Type**	**Programs**
communications by stakeholders by increasing awareness of the issues through: • a renewed Outreach Program; • a new social media strategy; and • a modernized website. While some positive change has taken place, TSB remains concerned that not enough has been done to address outstanding safety issues, most particularly in aviation.		

1.5 Risk Analysis

The following strategic risks identified in the 2012–13 Report on Plans and Priorities still required mitigation at year-end.

Risk	Link to Program Alignment Architecture	Link to Organizational Priorities
Management and Protection of Investigation Information	• Air Investigations • Marine Investigations • Rail Investigations • Pipeline Investigations	Improved Information and Data Management
The TSB's work is fundamentally reliant on the collection, retention, management and analysis of occurrence information. This information is collected from a variety of third parties (e.g. operators, manufacturers, witnesses, coroners), comes in a range of formats (e.g. voice recording, digital data, transcripts, diagrams) and is subject to a range of protections (e.g. *Privacy Act*, *Access to Information Act*, *Canadian Transportation and Accident Investigation and Safety Board Act* [*CTAISB Act*]). There is significant and increasing interest from third parties to access this information. The TSB has an ongoing risk of losing corporate knowledge or releasing protected information if the TSB doesn't effectively manage the processes, tools and technology supporting its information resources.		
Risk Response Strategy		
The following mitigating strategies are being implemented by the TSB: • The TSB is modernizing the databases used to collect occurrence information. The department effectively plans and prioritizes maintenance and upgrades to its informatics infrastructure and applications. • The TSB is working to improve the information management tools, guidance and practices to ensure that investigators retain essential information in the appropriate repositories. • The TSB has established processes and tools to process access to information requests to ensure that protected information is redacted prior to external release. • Awareness-raising programs and training are offered to staff on the *CTAISB Act*, the *Access to Information Act* and the *Protection of Personal Information Act*. • TSB's position on the necessity of restricting access to privileged information is being consistently maintained and defended by its legal services. Where appropriate, the TSB continues to invest financial resources to defend its position in court. • The TSB has policies and investigation directives with respect to the protection of information and senior management performs ongoing monitoring.		

Risk	Link to Program Alignment Architecture	Link to Organizational Priorities
Maintaining a Knowledgeable Workforce	• Air Investigations • Marine Investigations • Rail Investigations • Pipeline Investigations	Strengthened organizational readiness
The success of the TSB and its credibility depend largely on the expertise, the professionalism and the competence of its investigative employees. For this reason, the TSB targets the hiring of candidates with significant experience in the transportation field. Recruitment of qualified personnel is often challenging given the limited number of suitable candidates in the industry, compensation differences and the necessity to be independent from transportation industry stakeholders. Additionally, new investigators require significant training and certification to prior to deploying to occurrence sites. There is an ongoing risk to the TSB's operations that significant turnover in investigative staff could impair the TSB's capacity to respond effectively.		
Risk Response Strategy		
The following strategies have been used to mitigate this risk: • Branch Staffing Plans are prepared annually. • A key positions questionnaire and a knowledge transfer questionnaire have been developed to help managers capture employees' key knowledge prior to their departure from the TSB. • For key positions, funding is made available to allow new staff to be hired a few months early while departing staff are still available for knowledge transfer. • Staffing pools are being established to facilitate hiring for investigator positions. • Qualified resources are being identified to fill positions on short-term basis. • Learning plans have been established for all employees and developmental opportunities are offered where possible.		

Risk	Link to Program Alignment Architecture	Link to Organizational Priorities
Financial resources	• Internal Services • Air Investigations • Marine Investigations • Rail Investigations • Pipeline Investigations	Strengthened organizational readiness
An ongoing risk to TSB's financial situation is that expenditures are greatly influenced by the number and complexity of transportation occurrences. A significant transportation accident or a flurry of smaller size occurrences could significantly increase expenditures and result in resource pressures beyond the Board's available funding. Another risk to TSB's financial resources is the progressive reductions in funding announced in Budget 2012, which will be fully implemented by the end of 2014–15. These reductions reduce the flexibility in the TSB's budget. If there are further budget reductions or significant increases in operating costs, there is a risk that these will impact the delivery of TSB's mandate.		
Risk Response Strategy		
The following mitigating strategies have been implemented: • Budgets are closely monitored throughout the year and formal quarterly reviews are performed by the Executive Committee to reallocate resources to priority areas. • To implement the reductions in funding from Budget 2012, the TSB identified savings measures to reduce its planned spending without significantly affecting the number or timeliness of investigations. • The department plans to perform a review of its organizational structure and the resources allocated to each area to ensure their effective alignment with current and future business needs. • Where the number or complexity of transportation occurrences is such that the TSB cannot operate		

Risk	Link to Program Alignment Architecture	Link to Organizational Priorities
within its available funding, the department seeks additional funding from Parliament.		

1.6 Summary of Performance

Financial Resources – Total Departmental ($ thousands)

Total Budgetary Expenditures (Main Estimates) 2012–13	Planned Spending 2012–13	Total Authorities (available for use) 2012–13	Actual Spending (authorities used) 2012–13	Difference (Planned vs. Actual Spending)
30,053	31,245	33,120	31,656	(411)

The TSB is funded by Parliament through an operating expenditures vote. The 2012–13 Main Estimates provided the TSB with authorities of $30.1 million, which included $26.5 million for operating expenditures and $3.6 million for the employee benefit plans. However, Budget 2012 was tabled in Parliament after the tabling of the Main Estimates. As a result the measures announced in Budget 2012, which reduced the TSB's authorities by $0.7 million, were not reflected in the 2012–13 Main Estimates. Frozen allotments were therefore established by Treasury Board authority to prohibit the spending of these funds.

Additional authorities (Treasury Board vote transfers) in the amount of $3.0 million were approved during the year for total approved funding of $33.1 million. This included $1.3 million for the carry-forward of the lapsed funds from fiscal year 2011–12, $0.7 million for collective bargaining adjustments, and $1.0 million for severance and parental benefits expenditures.

Human Resources (FTEs*)

Planned 2012–13	Actual 2012–13	Difference 2012–13
235	218	17

* Full-time equivalents

The TSB's planned FTEs for the 2012–13 fiscal year was initially 235. However, as part of the Budget 2012 savings measures, the TSB decided to reduce its planned FTEs to 230 by closing 5 vacant positions.

Performance Summary Table for Strategic Outcome and Programs ($ thousands)

Strategic Outcome								
The risks to the safety of the transportation system are reduced.								
Alignment to Government of Canada Outcome								
Safe and secure Canada[ii]								
Program	**Total Budgetary Expenditures (Main Estimates 2012–13)**	**Planned Spending**			**Total Authorities (available for use) 2012–13**	**Actual Spending (authorities used)**		
		2012–13	**2013–14**	**2014–15**		**2012–13**	**2011–12**	**2010–11**
Air Investigations	14,090	14,354	13,334	13,075	14,302	13,670	14,442	14,311
Marine Investigations	4,400	4,670	4,915	4,823	6,101	5,831	4,620	4,474
Rail Investigations	4,680	4,534	4,894	4,809	4,921	4,703	5,106	4,598
Pipeline Investigations	448	482	446	438	478	457	525	489
Sub-Total	23,618	24,040	23,589	23,145	25,802	24,661	24,693	23,872

The allocation of funding to each program includes a portion for in-house specialized services provided to each transportation mode. These services include specialized assistance in support of occurrence investigations such as: engineering and technical services, macro-analysis and human performance services, quality assurance and Board reviews, report production services (e.g. editing, translation), media relations services, and outreach activities. The allocation of the funding for specialized services to each program is based on various measures of investigation activity. During the planning phase, historical averages of investigation activities are used as the basis for the allocation. For year-end reporting of actual expenses, the allocation rates are based on the year's activities. As a result, changes in actual activity from historical patterns will affect the actual spending by Program compared to the planned spending by program, as is the case for the Air and Marine investigation activities in 2012–13.

Performance Summary Table for Internal Services ($ thousands)

Program	**Total Budgetary Expenditures (Main Estimates 2012–13)**	**Planned Spending**			**Total Authorities (available for use) 2012–13**	**Actual Spending (authorities used)**		
		2012–13	**2013–14**	**2014–15**		**2012–13**	**2011–12**	**2010–11**
Internal Services	6,435	7,205	6,579	6,453	7,318	6,995	7,101	6,827
Sub-Total	6,435	7,205	6,579	6,453	7,318	6,995	7,101	6,827

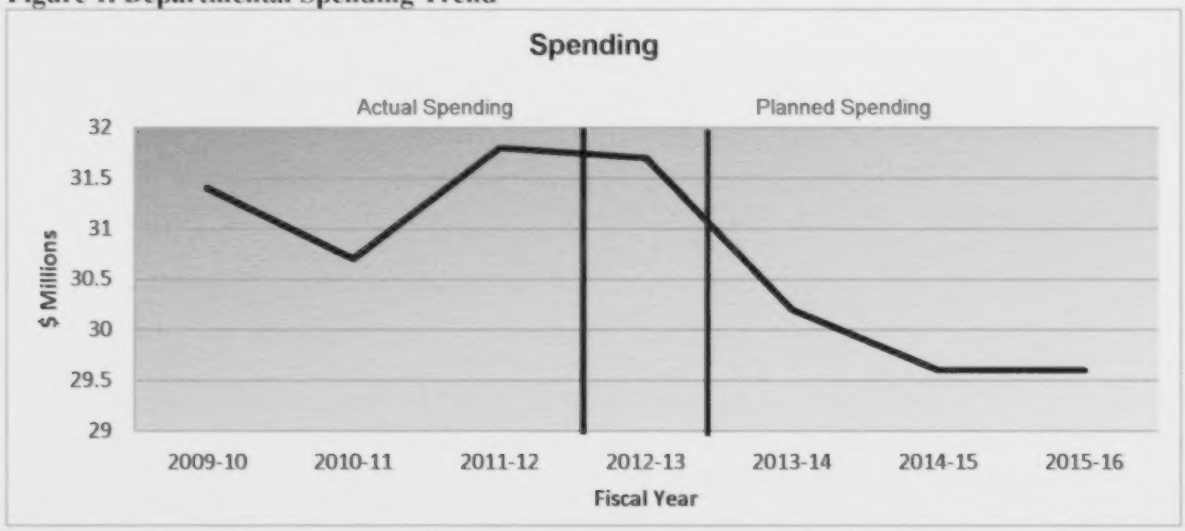
Total Performance Summary Table ($ thousands)

Strategic Outcome Programs and Internal Services	Total Budgetary Expenditures(Main Estimates 2012–13)	Planned Spending			Total Authorities (available for use) 2012–13	Actual Spending (authorities used)		
		2012–13	2013–14	2014–15		2012–13	2011–12	2010–11
Total	30,053	31,245	30,168	29,598	33,120	31,656	31,794	30,698

Note: Total may not add due to rounding.

1.7 Expenditure Profile

Figure 1. Departmental Spending Trend



The spending amounts presented in figure 1 for fiscal years 2009–10 to 2012–13 are actual results as presented in the Public Accounts of Canada. Fiscal year 2013–14 projected spending includes funding to be received through Main Estimates plus an estimated carry-forward of lapsed funds from 2012–13, as well as an estimate for compensation adjustments for terminable allowances. Projected spending for fiscal years 2014–15 and 2015–16 consists of funding anticipated to be received through Main Estimates plus an estimated amount for compensation adjustments for terminable allowances. These amounts are slightly underestimated as they do not include funding that should eventually be received through Supplementary Estimates, transfers from Treasury Board Votes 10 and 30 or respendable revenues.

Spending in fiscal year 2012–13 is slightly lower than spending in 2011–12 by $0.1 million or less than 1%. During 2012–13, the TSB fully implemented the required reductions from Budget 2012. However, total spending remained comparable to the previous year due to the payment of one-time costs associated with the reductions (e.g. workforce adjustment and purchase of video conferencing equipment). These costs were in large part absorbed through the carry-forward of unused funding from 2011–12.

1.8 Estimates by Vote

For information on TSB's organizational Votes and/or statutory expenditures, please see the Public Accounts of Canada 2013 (Volume II). An electronic version of the Public Accounts 2013 is available on the Public Works and Government Services Canada's website.[iii]

Section II: Analysis of Programs by Strategic Outcome

2.1 Strategic Outcome

The following table shows the TSB's sole strategic outcome as it appears in the 2012–13 Main Estimates and the four Programs that support it.

Strategic Outcome	The risks to the safety of the transportation system are reduced.
Program 1	Air Investigations
Program 2	Marine Investigations
Program 3	Rail Investigations
Program 4	Pipeline Investigations

Overall, the TSB has been very successful in identifying safety issues and reducing risks in the transportation system. Each investigation led to a comprehensive report identifying critical safety issues and contributing factors, communicating lessons learned and, when necessary, making recommendations aimed at reducing risks. In addition to investigation reports, the TSB issues safety recommendations, safety advisories, safety information letters and safety concerns to advance transportation safety. Additional information on the TSB's activities is available in the TSB's *2012–13 Annual Report to Parliament.*[iv]

2.2 Air Investigations Program

Under the Air Investigations Program, the TSB conducts independent investigations into selected air transportation occurrences in or over Canada and in certain circumstances internationally, to identify causes and contributing factors. This Program includes the publication of investigation reports, the formulation of recommendations to improve safety, the communication of safety information, the conduct of outreach activities to advocate for changes, and the follow-up on responses to recommendations. The Air Investigations Program also includes the fulfillment of Canada's obligations related to transportation safety as required by the International Civil Aviation Organization. This program is governed by the *Canadian Transportation Accident Investigation and Safety Board Act*, the Transportation Safety Board Regulations, and Annex 13 of the Convention on International Civil Aviation.

Financial Resources – For Air Investigations Program Level ($ thousands)

Total Budgetary Expenditures (Main Estimates) 2012–13	Planned Spending 2012–13	Total Authorities (available for use) 2012–13	Actual Spending (authorities used) 2012–13	Difference (Planned vs. Actual Spending) 2012–13
14,090	14,354	14,302	13,670	684

Human Resources (FTEs*) – For Air Investigations Program Level

Planned 2012–13	Actual 2012–13	Difference 2012–13
99	91	8

Performance Results – For Air Investigations Program Level

Expected Results	Performance Indicators	Targets	Actual Results
Safety deficiencies are communicated	Average number of days for completing investigation reports	450 days	Not met: the average time for completing investigation reports was 549 days.
	Percentage of investigation reports completed within the published target time	75% by March 31, 2014	In progress: the percentage of investigation reports completed within the published target time was 32%.
Stakeholders effect changes/take safety actions	Percentage of responses to recommendations assessed as fully satisfactory (since TSB's creation)	65% by March 31, 2014	In progress: the percentage of responses to recommendations assessed as Fully Satisfactory was 60%.
	Average number of years recommendations have been outstanding	7 years by March 31, 2014	In progress: results to be assessed next fiscal year end.
Safety deficiencies are addressed	Percentage of safety advisories on which safety actions have been taken	60%	Not met: the percentage of safety advisories on which safety actions have been taken was 20%.
	Number of key safety issues removed from the TSB Watchlist	5 by March 31, 2015	In progress: 1 key safety issue was removed from the 2 editions of the TSB Watchlist.

2.2.1 Performance Analysis and Lessons Learned

There was a reduction in the number of outputs and in the productivity of the Air Investigations Program during 2012–13. Most targets were not met. Although these results are due in part to the high level of effort invested in a few very complex investigations, the TSB faces significant challenges in achieving its performance targets for this Program. The main challenges are: a high level of attrition due to employee retirement, gaps in employee skill sets, an outdated investigation report process, and insufficient responses from the regulator and industry.

A number of measures have recently been implemented to improve the tracking and management of the investigation workload. A comprehensive review of the investigation process will be undertaken and an action plan will be developed to streamline the process and improve its efficiency. Additional training will be provided to staff to strengthen their skills in some key areas. Human resources plans will be reviewed and updated to ensure that people with the right skills are hired in a timely manner.

The TSB is not satisfied with the results achieved on the Air safety recommendations or safety advisories. Progress is very slow due to the complexity of the regulatory process, the need to harmonize standards with other countries, and the lack of buy-in from some industry stakeholders. Sustained and targeted outreach efforts will be made to try and convince regulators and industry to take safety actions to mitigate these safety risks.

In 2012–13, the Air Program lapsed $632,000. The lapse is primarily the result of unused salary dollars from a number of vacant positions and related O&M funds such as employee training and equipment. Efforts are being made to minimize the number of vacant positions in future by developing staffing plans, managing upcoming employee retirements, initiating staffing processes earlier, and creating pools of prequalified candidates. Where appropriate, the TSB will also make use of its surplus financial resources to hire short term help to assist with some of the workload issues.

2.3 Marine Investigations Program

Under the Marine Investigations Program, the TSB conducts independent investigations into selected marine transportation occurrences in Canada, and in certain circumstances internationally to identify causes and contributing factors. This Program includes the publication of investigation reports, the formulation of recommendations to improve safety, the communication of safety information, outreach activities to advocate for change, and the follow-up on responses to recommendations. The Marine Investigations Program also includes the fulfillment of some of Canada's obligations related to transportation safety as required by the International Maritime Organization. This program is governed by the *Canadian Transportation Accident Investigation and Safety Board Act*, the Transportation Safety Board Regulations, and the Casualty Investigation Code of the International Maritime Organization.

Financial Resources – For Marine Investigations Program Level ($ thousands)

Total Budgetary Expenditures (Main Estimates) 2012–13	Planned Spending 2012–13	Total Authorities (available for use) 2012–13	Actual Spending (authorities used) 2012–13	Difference (Planned vs. Actual Spending) 2012–13
4,400	4,670	6,101	5,831	(1,161)

Human Resources (FTEs*) – **For Marine Investigations Program Level**

Planned 2012–13	Actual 2012–13	Difference 2012–13
43	39	4

Performance Results – For Marine Investigations Program Level

Expected Results	Performance Indicators	Targets	Actual Results
Safety deficiencies are communicated	Average number of days for completing investigation reports	450 days	Not met: the average time for completing investigation reports was 522 days.
	Percentage of investigation reports completed within the published target time	75% by March 31, 2014	In progress: the percentage of investigation reports completed within the published target was 55%.
Stakeholders effect changes/take safety actions	Percentage of responses to recommendations assessed as fully satisfactory (since TSB's creation)	80% by March 31, 2014	Exceeded: the percentage of responses to recommendations assessed as fully satisfactory was 81%.
	Average number of years recommendations have been outstanding	7 years by March 31, 2014	In progress: results to be assessed next fiscal year end.
Safety deficiencies are addressed	Percentage of safety advisories on which safety actions have been taken	60%	Not met: the percentage of safety advisories on which safety actions have been taken was 57%.

Expected Results	Performance Indicators	Targets	Actual Results
	Number of key issues removed from the TSB Watchlist	4 by March 31, 2015	In progress: 2 key issues have been removed from the 2 editions of the TSB Watchlist.

2.3.1 Performance Analysis and Lessons Learned

The timeliness target for completing Marine investigation reports was not met (522 days compared to the target of 450 days). However, the fishing vessels safety study is the primary factor which explains this result. This study was completed in 1,086 days. Without taking this study into account, Marine investigations were completed within an average of 460 days, representing a significant improvement compared to the previous five years.

Good progress was made towards achieving all other targets for the Marine Program. These results were accomplished further to a review initiated in 2011–12. During 2012–13, improvements were identified and implemented to the investigation report writing process. Positive results have been achieved and it is expected that performance targets will be met in future years.

Continued efforts will also be made to encourage the Regulator and industry to focus on the remaining Watchlist issues, and to take appropriate safety actions.

During 2012–13, spending in the Marine Program increased compared to prior years as investigator positions were staffed and there was an increase in investigation activities. Spending also increased due to the modernization of the database used to collect and maintain Marine occurrence data. In 2012–13, the Marine Program lapsed $270,000.

2.4 Rail Investigations Program

Under the Rail Investigations Program, the TSB conducts independent investigations into selected rail transportation occurrences to identify causes and contributing factors. This program includes the publication of investigation reports, the formulation of recommendations to improve safety, the communication of safety information, undertaking outreach activities to advocate for change, and the follow-up on responses to recommendations. The Rail Investigations Program also includes the provision of assistance, upon request, to the provinces for the investigation of short-line railway occurrences under provincial jurisdiction. This Program is governed by the *Canadian Transportation Accident Investigation and Safety Board Act* and the Transportation Safety Board Regulations.

Financial Resources – For Rail Investigations Program Level ($ thousands)

Total Budgetary Expenditures (Main Estimates) 2012–13	Planned Spending 2012–13	Total Authorities (available for use) 2012–13	Actual Spending (authorities used) 2012–13	Difference (Planned vs. Actual Spending) 2012–13
4,680	4,534	4,921	4,703	(169)

Human Resources (FTEs*) – **For Rail Investigations Program Level**

Planned 2012–13	Actual 2012–13	Difference 2012–13
37	35	2

Performance Results – For Rail Investigations Program Level

Program Expected Results	Performance Indicators	Targets	Actual Results
Safety deficiencies are communicated	Average number of days for completing investigation reports	460 days	Exceeded: the average number of days for completing investigation reports was 409 days.
	Percentage of investigation reports completed within the published target time	75% by March 31, 2014	Exceeded: the percentage of investigation reports completed within the published target time was 88%.
Stakeholders effect changes/take safety actions	Percentage of responses to recommendations assessed as fully satisfactory (since TSB's creation)	87% by March 31, 2014	Exceeded: the percentage of responses to recommendations assessed as fully satisfactory (since TSB's creation) was 90%.
	Average number of years recommendations have been outstanding	7 years by March 31, 2014	In progress: results to be assessed next fiscal year end.
Safety deficiencies are addressed	Percentage of safety advisories on which safety actions have	60%	Exceeded: the percentage of safety advisories on which

Program Expected Results	Performance Indicators	Targets	Actual Results
	been taken		safety actions have been taken was 85%.
	Number of key safety issues removed from the TSB Watchlist	4 by March 31, 2015	In progress: 3 key safety issues have been removed from the two editions of the TSB Watchlist.

2.4.1 Performance Analysis and Lessons Learned

Fiscal year 2012–13 was again a very successful year for the Rail Program. Four of its performance targets were exceeded and good progress was achieved against the remaining two targets. The Rail Investigations Branch has focused its efforts on better managing the investigation process through forecasting and milestone tracking. Safety communication products continue to be clearly focused to ensure that change agents are made aware of any safety deficiency in a timely manner, which often translates into direct safety actions and risk reduction.

However, despite the positive responses to some recommendations and the high level of safety actions taken, there has been significant push back on some of the Watchlist issues due to the costs involved and the perceived minimal benefits to the railways. Continued efforts are therefore required to encourage the Regulator and industry to take appropriate safety actions on the remaining recommendations and Watchlist issues.

In 2012–13, financial and human resources for the Rail Program were managed efficiently. The lapse of $218,000 of available funds is attributed primarily to various operating expenses being slightly lower than anticipated.

2.5 Pipeline Investigations Program

Under the Pipeline Investigations Program, the TSB conducts independent investigations into selected pipeline occurrences under federal jurisdiction within Canada to identify causes and contributing factors. This Program also includes the publication of investigation reports, the formulation of recommendations to improve safety, the communication of safety information, undertaking outreach activities to advocate for change, and the follow-up on responses to recommendations. This program is governed by the *Canadian Transportation Accident Investigation and Safety Board Act* and the Transportation Safety Board Regulations.

Financial Resources – For Pipeline Investigations Program Level ($ thousands)

Total Budgetary Expenditures (Main Estimates) 2012–13	Planned Spending 2012–13	Total Authorities (available for use) 2012–13	Actual Spending (authorities used) 2012–13	Difference (Planned vs. Actual Spending) 2012–13
448	482	478	457	25

Human Resources (FTEs*) – **For Pipeline Investigations Program Level**

Planned 2012–13	Actual 2012–13	Difference 2012–13
4	4	0

Performance Results – For Pipeline Investigations Program Level

Program Expected Results	Performance Indicators	Targets	Actual Results
Safety deficiencies are communicated	Average number of days for completing investigation reports	450 days	Not applicable as no investigation reports were completed.
	Percentage of investigation reports completed within the published target time	75% by March 31, 2014	Not applicable as no investigation reports were completed.
Stakeholders effect changes/take safety actions	Percentage of responses to recommendations assessed as fully satisfactory (since TSB's creation)	95% by March 31, 2014	Exceeded: the percentage of responses to recommendations assessed as fully satisfactory is 100%.
	Average number of years recommendations have been outstanding	7 years by March 31, 2014	In progress: results to be assessed next fiscal year end.
Safety deficiencies are addressed	Percentage of safety advisories on which safety actions have been taken	TBD	Not applicable as no safety advisories were issued.

2.5.1 Performance Analysis and Lessons Learned

The responses to all TSB Pipeline recommendations (100%) are assessed as fully satisfactory, thereby exceeding the target. During 2012–13, the TSB did not complete any new Pipeline investigation reports and did not issue any recommendations or safety advisories. Three new investigations were started but not completed by year-end. However, two safety information letters were published during the year. Work on the new investigations is progressing well and it is expected that the performance targets will be fully achieved in 2013–14.

In 2012–13, financial and human resources for the Pipeline Program were managed efficiently leaving a minimal lapse of $21,000.

2.6 Internal Services Program

The Internal Services Program includes the functions and resources required to support the needs of the operational program activities associated with the four transportation modes, as well as to meet the department's corporate obligations. These activities are coordinated by the Corporate Services Branch and include the services relating to: human resources management; financial management; information management; information technology; corporate planning and reporting; procurement; materiel management and other administrative services.

Financial Resources – For Internal Services Program Level ($ thousands)

Total Budgetary Expenditures (Main Estimates) 2012–13	Planned Spending 2012–13	Total Authorities (available for use) 2012–13	Actual Spending (authorities used) 2012–13	Difference (Planned vs. Actual Spending) 2012–13
6,435	7,205	7,318	6,995	210

Human Resources (FTEs*) – **For Internal Services Program Level**

Planned 2012–13	Actual 2012–13	Difference 2012–13
52	49	3

Performance Results – For Internal Services Program Level

Program Activity Expected Results	Performance Indicators	Targets	Actual Results
Effective support to program delivery	Provision of effective and efficient support services	Not applicable	Met: During 2012-13, Internal Services provided effective support services while

Program Activity Expected Results	Performance Indicators	Targets	Actual Results
			at the same time reviewing its operations to improve efficiency.
Strengthened Management Practices	Continuous improvement in ratings for the individual areas of management of the Treasury Board Secretariat's Management Accountability Framework (MAF) Assessment	Acceptable rating or above received in all areas	Not applicable: The TSB was not assessed as part of the latest MAF Assessments.
	Continuous improvement in ratings from the Public Service Commission's (PSC) assessment of the TSB's Departmental Staffing Accountability Report (DSAR) and the PSC's audit of TSB staffing	Acceptable rating or above received in all areas	Mostly Met: The most recent DSAR provided an acceptable rating in all areas assessed. The PSC Audit of the TSB[v] concluded that the TSB has an appropriate framework and systems and practices are in place to manage TSB appointment activities. However, three recommendations were made to address weaknesses with regards to assessment tools, priority process and, documentation. The TSB has implemented corrective actions to address the recommendations.

Program Activity Expected Results	Performance Indicators	Targets	Actual Results
	Effective financial management to ensure corporate commitments towards spending restraints are met without significant impact on the operations	Corporate commitments are met	Exceeded: All corporate commitments set for 2012–13 have been met and some reductions planned for the following two years have also been initiated and completed. All initiatives were planned in such a way as to avoid impact on the delivery of the departmental mandate.

2.6.1 Performance Analysis and Lessons Learned

A key priority for 2012–13 was the implementation of the reductions in TSB funding. These reductions in funding required effective financial management in order to ensure that savings were achieved without significantly impacting on the delivery of the TSB's mandate. The Corporate Services Branch has absorbed a significant portion of the funding reductions through the identification and implementation of efficiencies in the delivery of internal services and adjustments to the service levels.

The TSB was not assessed in the recent round of Management Accountability Framework assessments. However, the Treasury Board Secretariat performed a core control audit of the TSB's financial management. The audit tested transactions from fiscal year 2010–11 to determine whether TSB core financial controls were in compliance with key requirements contained in selected financial legislation, policies, and directives. The Audit Report[vi] was released in January 2013. For the 11 areas tested, the TSB was found compliant in 5, partially compliant in 2, and not compliant in 4 areas. The TSB undertook a detailed review of the individual audit findings and fully implemented its Management Action Plan[vii] by year-end.

In 2012–13, financial and human resources for the Internal Services Program were managed efficiently. Approximately half of the lapsed funds are explained by lower personnel expenditures due to various vacancies while the remaining lapse is attributed to operating efficiencies.

Section III: Supplementary Information

3.1 Financial Statements Highlights

The financial highlights presented below are on an accrual accounting basis.

Transportation Safety Board of Canada Condensed Statement of Operations and Departmental Net Financial Position (Unaudited) For the Year Ended March 31, 2013 ($ thousands)					
	2012–13 Planned Results	2012–13 Actual	2011–12 Actual	$ Change (2012–13 Planned vs. Actual)	$ Change (2012–13 Actual vs. 2011–12 Actual)
Total expenses	34,800	34,496	35,500	(304)	(1,004)
Total revenues	26	53	43	27	10
Net cost of operations	34,774	34,443	35,457	(331)	(1,014)
Departmental net financial position	1,134	1,327	253	193	1,074

The 2012–13 Planned Results are based on estimates known at the time of the Report on Plans and Priorities (RPP). The difference between total expenses for 2012–13 Planned Results and 2012–13 Actual is mainly due to the Budget 2012 reductions, which were not factored into the RPP.

The decrease of $1 million in 2012–13 expenses compared to 2011–12 is due primarily to a decrease in salaries ($0.5 million), a decrease in contracted services ($0.3 million), and in travel ($0.2 million). These decreases are consistent with planned reductions in spending resulting from cuts in Budget 2012 funding.

The TSB's revenues are incidental and result from cost recovery activities from training or investigation activities, proceeds from the disposal of assets that are no longer being used, and fees generated by requests under the *Access to Information Act*.

The TSB's net cost of operations represents an approximate cost of $0.98 per Canadian citizen. For this amount, Canada maintains the capability to investigate major failures in four different modes of the national transportation system.

Transportation Safety Board of Canada Condensed Statement of Financial Position (Unaudited) As at March 31, 2013 ($ thousands)			
	2012–13	2011–12	$ Change
Total net liabilities	5,991	6,891	(900)
Total net financial assets	1,564	1,703	(139)
Departmental net debt	4,427	5,188	(761)
Total non-financial assets	5,754	5,441	313
Departmental net financial position	1,327	253	1,074

The TSB's total net liabilities consist primarily of employee-related liabilities. The liability for employee future benefits pertaining to severance pay represents 49 percent ($2.9 million) of total liabilities, while the liability for vacation pay and compensatory leave accumulated by employees but not taken at year-end represents 18% ($1.1 million). The final component of the TSB's liabilities consists of accounts payable and accrued liabilities relating to operations and represents 33% ($2.0 million) of total liabilities. The decrease of $0.9 million in total liabilities compared to the previous year is mainly attributed to employee future benefits, which is decreasing in response to employees opting to be paid out the full or partial value of severance benefits earned to date.

Total net financial assets consist of accounts receivable, advances, and amounts due from the Consolidated Revenue Fund (CRF) of the Government of Canada. The amount due from the CRF represents 97% or $1.5 million of the balance. This represents the amount of net cash that the TSB is entitled to draw from the CRF in the future to discharge its current liabilities, without further appropriations. The decrease in Total net financial assets from 2011–12 to 2012–13 is primarily due to a significant decrease in the year-end accounts receivable from Treasury Board Secretariat for contributions to employee benefit plans. The 2011–12 accounts receivable balance was unusually high ($0.2 million) as a result of overbilling by the Treasury Board Secretariat.

Tangible capital assets make up $5.6 million of the amount reported as non-financial assets. The increase of $0.3 million in non-financial assets between 2011–12 and 2012–13 is mainly due to the capitalization of development costs for the database used to collect marine occurrence data.

3.2 Financial Statements

The TSB financial statements can be found on the organization's website.[viii]

3.3 Supplementary Information Tables

The electronic supplementary information tables listed below can be found on the Transportation Safety Board's website.[ix]

- User Fees Reporting
- Green Procurement

Section IV: Other Item of Interest

4.1 Organizational Contact Information

Additional information about the Transportation Safety Board of Canada and its activities is available by contacting us at:

Transportation Safety Board of Canada
Place du Centre
200 Promenade du Portage, 4th floor
Gatineau, QC K1A 1K8

E-mail: communications@bst-tsb.gc.ca
Toll-free telephone: 1-800-387-3557
Fax: 819-997-2239

Find us on the Web www.tsb.gc.ca
Follow us on Twitter @TSBCanada
Watch us on YouTube /TSBCanada
See our photos on Flickr /TSBCanada

Endnotes

[i] Transportation Safety Board of Canada, http://www.bst-tsb.gc.ca/eng/index.asp
[ii] Treasury Board of Canada Secretariat, http://www.tbs-sct.gc.ca/ppg-cpr/descript-eng.aspx
[iii] Public Accounts of Canada 2011, http://www.tpsgc-pwgsc.gc.ca/recgen/txt/72-eng.html
[iv] Transportation Safety Board of Canada, http://www.tsb.gc.ca/eng/publications/ann/2013/2012-2013.asp
[v] Public Service Commission of Canada, http://www.psc-cfp.gc.ca/adt-vrf/rprt/2012/ar-rv/6-tsb-bst/index-eng.htm
[vi] Transportation Safety Board of Canada, http://www.tsb.gc.ca/eng/divulgation-disclosure/aip/2013/vcb-cca2012-2013.asp
[vii] Transportation Safety Board of Canada, http://www.tsb.gc.ca/eng/divulgation-disclosure/aip/2013/vcbpad-ccamap2012-2013.asp
[viii] Transportation Safety Board of Canada, http://www.bst-tsb.gc.ca/eng/index.asp
[ix] Transportation Safety Board of Canada, http://www.bst-tsb.gc.ca/eng/publications/index.asp